

DOCUMENT #4911
ADOPTED 6/18/87

HOUSING CREATION PROPOSAL

by
THE DRUKER COMPANY
for
The John Boyle O'Reilly School



CITY OF BOSTON
RAYMOND L. FLYNN
Mayor

BOSTON REDEVELOPMENT AUTHORITY
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Director

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Vice-Chairman, Sub-Committees

KANE SIMONIAN
Secretary

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MEMORANDUM

JUNE 18, 1987

TO: NEIGHBORHOOD HOUSING TRUST

FROM: BART MITCHELL, SPECIAL ASSISTANT TO THE MAYOR FOR DEVELOPMENT

SUBJECT: HOUSING CREATION PROPOSAL SUBMITTED BY THE DRUKER COMPANY FOR THE JOHN BOYLE O'REILLY SCHOOL

On December 18, 1985, the Druker Company entered into a Development Impact Project Agreement (DIP Agreement) with the Boston Redevelopment Authority regarding the project known as Heritage on the Garden which is now under construction by the Druker Company on Boylston Street in Back Bay. That DIP Agreement calls for the Druker Company to satisfy its linkage obligation either through a series of linkage payments or through an approved housing creation proposal.

The Druker Company has submitted a housing creation proposal to dedicate its linkage money to assist the National Association of Government Employees (NAGE) in its effort to redevelop the John Boyle O'Reilly School at 397 Dorchester Street in South Boston into a 32 unit, 100% Section 8 elderly housing development.

NAGE, through its project specific development entity, National Union Senior Citizen Housing II Inc. (NUSCH II), has been designated as developer of the John Boyle O'Reilly School in South Boston by the Boston Public Facilities Department. NAGE has past experience in the development of affordable housing in Boston and other Massachusetts communities.

NAGE proposes to convert the surplus school into 32 units of elderly housing financed by Section 202 funds from the U.S. Department of Housing and Urban Development (HUD). 100% of the units will come with Section 8 subsidy. Thus, tenants will pay no more than 30% of their gross income for rent and utilities. Two units will be one bedroom each designed for handicapped persons. The remaining units will be divided between efficiency (16) and one bedroom (14) units. The current waiting list of public elderly housing developments in South Boston exceeds 600 names.

The total development cost of the O'Reilly school redevelopment is \$2,501,672. HUD has informed the sponsor that the maximum amount of the Section 202 mortgage shall be

\$2,261,700, the debt service on which shall be supported by project rents and the Section 8 subsidy. HUD has further informed the sponsor that funding for the remaining \$240,000 in development costs must be secured by June 30, 1987.

The Druker Company's housing creation proposal proposes to pay twelve equal annual installments of \$37,083.33 to NUSCH II. NUSCH II will borrow \$240,000 against this obligation to fill the project's financing gap and enable the project to proceed.

Approval of this housing creation proposal by the Neighborhood Housing Trust and the Boston Redevelopment Authority will fill a critical financing gap in NAGE's proposal, thereby leveraging over \$2.2 million in other resources and making possible construction of this much-needed elderly housing.

It is requested therefore that the Housing Creation Proposal submitted by The Druker Company for the John Boyle O'Reilly School be approved.

An appropriate vote follows:

VOTED:

That the Managing Trustee be authorized to recommend to the Boston Redevelopment Authority that the Housing Creation Proposal submitted by the Druker Company on April 28, 1987 for the creation of thirty-two (32) units of affordable housing at the John Boyle O'Reilly School be approved as submitted.



THE HERITAGE

ON THE GARDEN

April 28, 1987

Mr. Stephen Coyle, Director
Boston Redevelopment Authority
One City Hall Square/Ninth Floor
Boston, Massachusetts 02210

Dear Mr. Coyle

On December 18, 1985, the Trustees of The Heritage Commercial Realty Trust (the Trustees) entered into a Development Impact Project Agreement (DIP Agreement) with the Boston Redevelopment Authority regarding the project known as The Heritage on the Garden, which is now under construction by the Trustees on Boylston Street in Back Bay. That DIP Agreement calls for us to satisfy our linkage obligation either through a series of housing payment exactions or through an approved housing creation proposal.

We are delighted at this time to assist the City in its efforts to provide affordable housing by submitting herewith a housing creation proposal for the benefit of creating affordable housing through renovation of the John Boyle O'Reilly School at 347 Dorchester Street in South Boston. This proposal is intended to permit our DIP Exaction, which will continue to be made in twelve equal annual installments, to be allocated to the O'Reilly School redevelopment. The National Association of Government Employees (NAGE), a non-profit developer, proposes to redevelop the O'Reilly School into 32 units of affordable elderly housing.

Approval of this housing creation proposal by the Neighborhood Housing Trust and the Boston Redevelopment Authority will fill a financing gap in NAGE's proposal, thereby leveraging over \$1.9 million in other resources and making possible construction of this much-needed elderly housing.

I trust that you will find that the proposal meets the legal requirements of the housing creation process and helps the City achieve its goal of providing affordability in all neighborhoods.

Sincerely,

Ronald M. Druker, as Trustee of
The Heritage Commercial Realty Trust
and not individually

RMD/kc

HOUSING CREATION PLAN
BY THE
TRUSTEES OF THE HERITAGE COMMERCIAL REALTY TRUST
FOR THE
JOHN BOYLE O'REILLY SCHOOL

The Heritage Project Linkage Commitment

On December 18, 1985, the Trustees of The Heritage Commercial Realty Trust (the Trustees) entered into a Development Impact Project Agreement (DIP Agreement) with the Boston Redevelopment Authority regarding the project known as The Heritage on the Garden, which is now under construction by the Trustees on the Arlington/Hadassah sub-parcel of Parcel I of the Park Plaza Urban Renewal Area. The Heritage on the Garden is a mixed-use project which includes residential condominiums and office and retail space together with below-grade parking. See Attachment A.

The office and retail components of the project are expected to occupy approximately 189,000 square feet, which, as set forth in the DIP Agreement and pursuant to Article 26 of the Boston Zoning Code, results in a so-called "linkage payment" or Development Impact Project Exaction due to the city in an amount currently estimated to be \$445,000. This money is payable to the city in twelve equal annual installments currently estimated at \$37,083.33 commencing on the earlier of the issuance of a certificate of occupancy for The Heritage on the Garden or the second anniversary of the issuance of the building permit for the project. The building permit for the Heritage project was issued on March 25, 1986. Accordingly, the first of the twelve annual installments to be made by the Trustees should be due in or about March of 1988.

The O'Reilly School Development*

The John Boyle O'Reilly School, located at 347 Dorchester Street in South Boston, was built in the year 1905 and is a three-story brick and granite structure. The Public Facilities Department held a competition for the development of this site at the end of 1985. The winner of the competition, National Union Senior Citizen's Housing II, Inc. (NUSCH II) is a non-profit development corporation formed for the sole purpose of development of this project. NUSCH II entered into a purchase and sale agreement with the city on December 10, 1985 for the development of the building as 32 units of affordable housing for the elderly and handicapped under the Section 202 Direct Loan Program administered by the U.S. Department of Housing and Urban Development (HUD). All 32 of the units to be developed by NUSCH II will be affordable to elderly households whose incomes are below 80 percent of the Boston SMSA median income. All 32 units will be assisted by Section 8 rental subsidy.

*The information set forth in this part and the immediately succeeding part of this plan is based on information supplied to the Trustees by the Authority; no independent investigation of such information has been made by the Trustees.

Thus, the maximum amount to be paid by any tenant will be 30% of gross income.

The general partner and principal entity comprising NUSCH II is the National Association of Government Employment (NAGE), which has successfully developed other affordable projects in the Commonwealth. NUSCH II applied for Section 202 funding from the HUD Boston office and on May 16, 1986, received a conditional commitment for mortgage financing of \$1,990,200. In order to meet the firm commitment requirements of HUD, however, NUSCH II must demonstrate additional financial commitments. The commitment of the Heritage linkage money to NUSCH II will allow HUD to complete the processing of NUSCH II's mortgage application and issue the firm commitment necessary for NUSCH II to complete development planning and commence construction of the project.

In Attachments B-E, please find locator maps and an elevation for the O'Reilly School as well as descriptive materials for NUSCH II's proposal.

Demonstration of Needs for Linkage Funds

NUSCH II has presented materials which document the need for additional funds to complete the financing of this project at a total development cost of \$2,445,000. The per unit development cost for the O'Reilly School will be approximately \$76,381.00. This compares favorably with other adaptive re-use projects recently completed in the city such as the Jamaica Plain High and Rochambeau schools. Since 100 percent of the units will be affordable (as defined by the City of Boston and the Boston Redevelopment Authority), borrowing based on linkage funds will be applied equally to each unit in the amount of approximately \$13,906.00. But for the application of these linkage funds to this project, this project could not secure mortgage financing from HUD or the attendant Section 8 operating funding and would not be built. All borrowing based on linkage funds will be spent only on actual construction costs.

Provision of Linkage Funds

The Trustees intend to satisfy their linkage obligation by the payment of the project's Development Impact Project Exaction in twelve (12) equal annual installments commencing as indicated above. The submittal of this plan is intended to allow such funds to be allocated to the John Boyle O'Reilly redevelopment to permit NUSCH II to borrow against such funds in connection with its project. Neither the submission of this Housing Creation Proposal nor its approval by the Boston Redevelopment Authority and the Neighborhood Housing Trust shall in any way alter the method by which the Trustees shall satisfy their linkage obligations, which shall be by the payment of twelve (12) equal annual installments as set forth above.*

*This Housing Creation Proposal is submitted with the understanding that if it is determined that the Proposal would alter the method by which the Trustees shall satisfy their linkage obligations as set forth above, the Proposal shall be deemed not to have been submitted and the Trustees shall satisfy their linkage obligation pursuant to the Housing Payment Option.

Conclusion

The Trustees are proud to submit this housing creation proposal and look forward to working with the Boston Redevelopment Authority, the Neighborhood Housing Trust, and the City of Boston to gain acceptance of this proposal in a manner which will insure the success of the development of the John Boyle O'Reilly School for the benefit of elderly and handicapped low and moderate income persons in the City of Boston.

DEVELOPMENT IMPACT PROJECT AGREEMENT

for

THE HERITAGE ON THE GARDEN
ARLINGTON/HADASSAH SUBPARCEL OF
PARCEL I OF THE PARK PLAZA URBAN RENEWAL AREA

AGREEMENT made as of this 18 day of December, 1985, by and between Ronald M. Druker and David C. Bell, as Trustees of The Heritage Residential Realty Trust under Declaration of Trust dated as of May 1, 1985, recorded with Suffolk Registry of Deeds in Book 11574, Page 246, and as Trustees of The Heritage Commercial Realty Trust under Declaration of Trust dated as of May 1, 1985, recorded with Suffolk Registry of Deeds in Book 11574, Page 251, having a mailing address c/o The Druker Company, 50 Federal Street, Boston, Massachusetts 02110 and their successors, assigns and legal representatives (the "Applicant") and the Boston Redevelopment Authority, a body politic and corporate created pursuant to Chapter 652 of the Acts of 1960, as amended (the "Authority") acting for itself and as escrow agent for the Neighborhood Housing Trust (the "Trust"), as contemplated by Article 26 of the Boston Zoning Code (the "Code") and hereafter to be created. The Applicant and the Authority collectively shall be referred to herein as the "parties".

W I T N E S S E T H :

WHEREAS the Applicant has been tentatively designated as the Redeveloper of certain parcels of land (the "Project Site") containing in the aggregate approximately 44,300 square feet and comprising the land lying between Arlington, Boylston and Providence Street and the building known as 250 Boylston Street, constituting a portion of the so-called Arlington/Hadassah Subparcel of Parcel I in the Park Plaza Urban Renewal Area, which

parcels are identified on the plan attached to that certain Letter of Intent (the "Letter of Intent") dated June 19, 1984, between the Authority and The Druker Company; and

WHEREAS, the Applicant proposes to construct on the Premises a mixed use development comprised of a single building containing residential condominium units, office and retail space and a below-grade parking facility (the "Project") which constitutes a "Development Impact Project" as defined in Section 26-2 of the Code as in effect on the date hereof; and

WHEREAS, the Neighborhood Housing Trust contemplated by Article 26 of the Code has not yet been created;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1. DEVELOPMENT IMPACT PROJECT PLAN

1.1 Development Impact Project Plan. The parties hereby acknowledge that the Applicant submitted to the Authority a Development Impact Project Plan (the "Plan") as required by Section 26-3 of Article 26 of the Code, and after a public hearing held on December 5, 1985, notice of which was published in the Boston Herald on November 27, 1985, the Authority approved the Plan on December 5, 1985. The Applicant will cause the Project Site to be developed in accordance with the Plan.

ARTICLE 2. LINKAGE PAYMENT

2.1 Linkage Payment. The Applicant shall be responsible, in accordance with the terms of this Agreement, for a Development Impact Project Exaction (hereinafter "Linkage Payment") as such term is defined in Section 26-2(3) of the Code, in the amount calculated in accordance with Section 2.4 of this Agreement. The

Applicant may, at its option, satisfy its obligation for the Linkage Payment, in whole or in part, by contributing to the creation of housing units for occupancy exclusively by low and moderate income residents of the City of Boston, as described in Section 2.2, Housing Creation Option, or by payments made in accordance with Section 2.3, Housing Payment Option.

2.2 Housing Creation Option. If the Applicant shall elect to contribute to the creation of housing units for occupancy exclusively by low and moderate income residents of the City of Boston, the Applicant shall submit a proposal in writing to the Authority on or before the Payment Date, as defined in Section 2.6. Such proposal, approved in accordance with the Housing Creation Regulations (the "Regulations"), shall satisfy the provisions of the Housing Creation Exaction set forth in Section 26-1(3)(b) of Article 26 of the Code. The proposal shall include a description of the number, location, cost and design of the housing units. In the event the Applicant elects to satisfy its obligation for the Linkage Payment, in whole or in part, through the Housing Creation Option, the Applicant agrees to comply with the Regulations.

2.3 Housing Payment Option. If the Applicant shall elect to contribute money payments, said payments shall be paid to the City of Boston acting by and through the Trust, or in the event the Trust has not been created, to the Authority. The payments shall be made in twelve (12) equal annual installments. The first installment of the Housing Payment Option shall be due and payable on the Payment Date, as defined in Section 2.6, and subsequent installments shall be due and payable without interest on the following eleven (11) anniversary dates of the Payment Date.

2.4 Calculation of Linkage Payment. The parties hereby acknowledge that the Project will include certain uses enumerated in Table C of Article 26 of the Code, including retail and office

uses. It is anticipated that the gross floor area of the Project devoted to one or more such uses in the aggregate will exceed one hundred thousand (100,000) square feet. Said gross floor area devoted to such uses is expected to be approximately one hundred eighty-nine thousand (189,000) square feet, based upon design development drawings for the Project. On the basis of this figure, the amount of the Linkage Payment, as referred to in Section 2.1, will approximate a total of four hundred forty-five thousand dollars (\$445,000.00). The parties acknowledge that the amount of the Linkage Payment is based upon gross floor areas as estimated in the Plan. If the gross floor area, as defined in Section 2-1(21) of the Code and as certified by the Project Architect (as identified in the Plan), differs from the above stated estimate, this Agreement shall be amended by incorporating a schedule approved by the Director of the Authority (the "Director") adjusting the amount of the Linkage Payment in accordance with Article 26 of the Code.

2.5 Recalculation. The Authority hereby agrees, subject to the recalculation provisions contained in Section 2.4, that any change in the rate of the Linkage Payment as may be adopted shall not in any way increase the Linkage Payment determined in accordance with Section 2.4.

2.6 Payment Date. The Payment Date shall be the earlier of either the issuance of a Certificate of Occupancy for the Project or twenty-four (24) months after the granting of the building permit for the Project.

2.7 Waiver of Linkage Payment. If a building permit is not granted for any part or the whole of the Project, or if construction of any part or the whole of the Project is abandoned after a building permit is obtained prior to the commencement of substantial construction (the commencement of excavation, foundation and other subsurface work shall constitute substantial

construction), or if a building permit lapses for any part or the whole of the Project and such permit is not renewed, then the Applicant shall have no responsibility for the Linkage Payment or any Supplemental Payment (as hereinafter defined) with respect to such part or the whole of the Project, as applicable.

2.8 Credit Toward Linkage Payment. If the City of Boston should hereafter impose, assess, or levy any excise or tax upon the Project, the proceeds of which are dedicated, in whole or in part, to the establishment of a fund for purposes substantially the same as the purposes recited in Section 26-1 of Article 26 of the Code, amounts payable hereunder by the Applicant shall be credited against such excise or tax; provided, however, that if such crediting shall not be legally permissible to satisfy payment of such tax or excise, the obligations of the Applicant hereunder shall, to the extent of the amount of such tax or excise, thereupon cease and be of no further force or effect.

ARTICLE 3. RESIDENT CONSTRUCTION EMPLOYMENT PLAN

3.1 Boston Residents Construction Employment Standards. The Applicant shall submit a plan, to be known as a Boston Residents Construction Employment Plan, to the Director of the Authority, which plan shall set forth in detail the Applicant's plans to ensure that its Contractor, and those engaged by said Contractor for construction of the Project, on a craft by craft basis, meet the following Boston Residents Construction Employment Standards: (1) at least 50 percent of the total employee workerhours in each trade shall be by bonafide Boston residents; (2) at least 25 percent of the total employee workerhours in each trade shall be by minorities; and (3) at least 10 percent of the total employee workerhours in each trade shall be by women. The Applicant shall include in the plan provisions for monitoring, compliance and sanctions. The Applicant shall submit the plan prior to the issuance of a building permit.

3.2 Workerhours Defined. For purposes of this Article, workerhours shall include on-the-job-training and apprenticeship positions.

ARTICLE 4. EMPLOYMENT OPPORTUNITY PLAN.

4.1 Employment Opportunity Plan. The Applicant shall formulate an Employment Opportunity Plan that shall provide for the Applicant's good faith efforts to achieve a goal that 50 percent of the permanent employment opportunities created by the Project shall be made available to Boston residents. The Applicant shall submit the plan within one year from the execution of this Agreement.

ARTICLE 5. SUPPLEMENTAL PAYMENT.

5.1 Boston Housing Partnership, Inc., Contribution. The parties acknowledge the Applicant's agreement, as set forth in the Letter of Intent, to contribute the difference between One Million Dollars (\$1,000,000.00) and the amount of the Linkage Payment to the Boston Housing Partnership, Inc., for a joint private-public neighborhood housing program. Such payment shall be made in twelve (12) equal annual installments at the times prescribed in Section 2.3 for the payment of installments of the Linkage Payment. Such contribution together with the payments referred to in Section 5.2 shall be referred to herein as the "Supplemental Payment".

5.2 Boston Public Garden Contribution. Commencing at initial occupancy in the commercial portion of the Project, a per annum contribution of Seventy-Five Thousand Dollars (\$75,000.00) shall be made from that portion of the Project to an entity to be designated by the Authority and the Applicant for the maintenance and improvement of the Boston Public Garden. Said annual contributions shall be made for the life of the Project, said

requirement to be binding upon the Applicant's successors and assigns, and shall be escalated every three years by a percentage equal to the cumulative change in the Consumer Price Index, but in no event by more than five percent (5%).

ARTICLE 6. LIABILITY.

6.1 Scope of Applicant's Liability. The Authority agrees to look solely to the interest from time to time in the Project of the Applicant or its successors or assigns, as the case may be, for any claim against the Applicant or its successors arising under this Agreement in connection with the Project.

6.2 Personal Liability. Neither the Applicant or its successors or assigns, nor any trustee, beneficiary, partner, stockholder, manager, officer, director, agent or employee of the Applicant or of its successors or assigns, shall be personally or individually liable under this Agreement, nor shall it or they be liable or answerable in any equitable proceeding or order beyond the extent of its or their interest in the Project.

6.3 Monetary Liability. Notwithstanding anything else to the contrary contained in this Agreement, the obligations contained in Articles 2 and 5 hereof shall be obligations of The Heritage Commercial Realty Trust, and not The Heritage Residential Realty Trust, the Authority agreeing to look solely to the former, and not the latter, for any obligations contained in or arising out of such Articles. All other obligations herein contained shall be obligations of both such Trusts.

ARTICLE 7. MISCELLANEOUS PROVISIONS.

7.1 Amendments; Law to be Applied. If the parties agree hereafter to amend this Agreement, such amendment shall be in writing and executed by the parties hereto. This Agreement shall

be governed by the laws of the Commonwealth of Massachusetts and sets forth the entire agreement between the parties. This Agreement is binding and enforceable under contract law upon, and inures to the benefit of, the parties, their successors, assigns, and legal representatives, including, without limitation, any successor owner of the Project, and the Trust as successor to the Authority as and when such Trust shall be established, notwithstanding any subsequent amendment or repeal of Article 26 of the Code or court decision having the effect of an amendment or repeal of Article 26 of the Code.

7.2 Capitalized Terms. The capitalized terms used herein without definition shall have the meanings ascribed in Article 2 or Article 26 of the Code, unless otherwise provided.

7.3 Knowledge of Laws. Applicant shall keep itself fully informed of, and shall at all times observe and comply with, all applicable local, state and federal laws and regulations which affect the provisions of this Agreement.

7.4 Notice. All notices under this Agreement must be in writing and sent certified or registered mail, postage prepaid, return receipt requested, to the parties at the following addresses (or at such other address or addresses as to which either party shall notify the other from time to time):

Authority:	Boston Redevelopment Authority Director's Office City Hall Square Boston, Massachusetts 02201
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With a copy to:	Boston Redevelopment Authority Chief General Counsel City Hall Square Boston, Massachusetts 02201
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Applicant:	The Heritage Commercial Realty Trust The Heritage Residential Realty Trust c/o The Druker Company
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50 Federal Street
Boston, Massachusetts 02210

7.5 Record Notice of Agreement. The Applicant shall record at the Suffolk County Registry of Deeds, a notice of this Agreement, in a form reasonably satisfactory to both parties. The Authority agrees from time to time within twenty (20) days following written request from the Applicant therefor, to provide the Applicant with a certificate of compliance in recordable form prepared by the Applicant and approved by the Director setting forth the Applicant's then state of compliance with respect to the obligations contained in this Agreement.

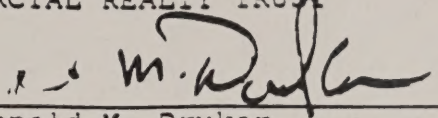
7.6 Satisfaction of Development Impact Project Requirements. The Authority hereby acknowledges that by executing this Agreement, the Applicant has satisfied the requirements of Section 26-3(2) of the Code insofar as satisfaction of the requirements of that Section is a precondition to the granting, allowing, or adopting of a variance, conditional use permit, exception, or zoning map or text amendment with respect to the Applicant's development of the Project Site.

7.7 Titles. The captions of this Agreement, its articles and sections throughout this Agreement, are intended solely to facilitate the reading and referencing of its provisions. Such captions shall not affect the meaning or interpretation of this Agreement.

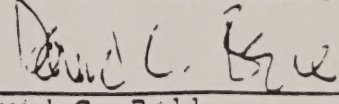
7.8 Transfer of Interest. Except to lenders providing funds to the Applicant in connection with the Project, by way of a pre-construction, construction, interim or so-called permanent loan, rights and interests accorded by this Agreement shall not be assigned, delegated, subcontracted or in any way transferred by the Applicant without prior written notice to the Authority.

WITNESS, the execution hereof under seal, as of the day and year first set forth above, in any number of counterpart copies, each of which shall be deemed an original for all purposes.

THE HERITAGE RESIDENTIAL REALTY
TRUST and THE HERITAGE
COMMERCIAL REALTY TRUST

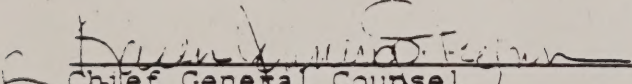
By: 

Ronald M. Druker,
As Trustee as aforesaid
and not individually

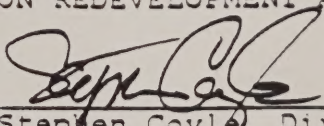
By: 

David C. Bell,
As Trustee as aforesaid
and not individually

Approved as to form:


Chief General Counsel
Boston Redevelopment Authority

BOSTON REDEVELOPMENT AUTHORITY

By: 

Stephen Coyle, Director
Hereunto duly authorized

NATIONAL UNION SENIOR CITIZENS HOUSING II CORP.

285 Dorchester Avenue

Boston, MA 02127

(617) 268-5002

June 11, 1987

Mr. George Russell
Neighborhood Housing Trust
City Hall
Boston, MA 02201

RE: John Boyle O'Reilly School ("O'Reilly School")
South Boston, MA
32 Section 8 Elderly/Handicapped Units

Dear Mr. Russell:

Pursuant to the Draft Rules and Regulations for Operations of the Neighborhood Housing Trust of the City of Boston, this letter is intended to outline why the National Union Senior Citizens Housing Corp., II ("NUSCH II") feels that the development of the O'Reilly School is an appropriate use for linkage funds distributed through the Neighborhood Housing Trust.

I. Description of the Development

The O'Reilly School will consist of the rehabilitation of a vacant school building in South Boston into thirty two (32) housing units. All units will be affordable and will receive subsidy through the Department of Housing and Urban Development ("HUD") Section 8 program. Three (3) units will be reserved for handicapped residents with the remaining for the elderly.

The development will rehabilitate a building which has deteriorated and become a source of concern in the neighborhood. Construction will be conducted with a union contractor.

II. Demand for Housing

There is an extremely strong demand in South Boston for affordable elderly housing. According to recent data supplied by the City of Boston, the South Boston community contains only seven (7%) percent of the elderly public

housing units in the city, yet, the number of people on the waiting list for these units equals thirty (30%) percent of the city wide waiting list. At the present time the waiting list for South Boston elderly housing is in excess of six hundred (600) people.

III. Experience of Sponsor

The National Association of Government Employees ("NAGE"), the sponsor for the development, formed NUSCH II for the purpose of rehabilitating the O'Reilly School.

NAGE has extensive development experience in rehabilitation of buildings and in the construction of affordable units. Representative developments include:

COMMUNITY	TYPE OF DEVELOPMENT
A. Canton	80 Units: Section 8
B. Framingham	140 Units: Section 8
C. Dorchester	30 Units: Section 8
D. Charlestown Navy Yard	92 Units: Rehabilitation

IV. Need for Funds

This development is to receive forty (40) year mortgage financing from HUD through its Section 202 program in the amount of \$2,261,700. In addition the development will receive a rent subsidy in the amount of \$298,992.00 annually. HUD has projected a total development cost of \$2,501,672. The Section 8 subsidy provided is sufficient to pay the debt service on the loan of \$2,261,700 leaving a shortfall of approximately \$240,000. The reason for the shortfall is mainly the structural inefficiency of the O'Reilly School. The building was originally built for school purposes. Extensive work must be conducted to make the building suitable for elderly and handicapped residents.

Approval of the Druker Company's Housing Creation Proposal would provide NUSCH II with \$37,083.33 per year for 12 years, enabling NUSCH II to borrow \$240,000 and fill this financing gap.

HUD has informed the sponsor that unless the funding for this \$240,000 shortfall is secured by June 30, 1987, then HUD will recapture the Section 202 mortgage money and Section 8 rent subsidy.

V. Benefits of Development v. Neighborhood Housing Trust Criteria

A. Developer Eligibility

The sponsor has extensive experience in the rehabilitation of buildings and providing affordable housing. The sponsor is in good standing in the City of Boston and the other communities in which it has conducted development activities. The sponsor is current on all tax payments and has not been charged with any arson related, discrimination, or housing complaints.

B. Development Eligibility Criteria

The development could not be built but for the linkage funds requested. The development, which will be one hundred (100%) percent affordable, is financially feasible only with the linkage funds. Both HUD financing and rent subsidy have been arranged. The housing units will be built in full compliance with the Boston Jobs Ordinance, fair housing and equal opportunity and building code requirements. Site control has been received through an agreement with the City of Boston, the present owner of the site.

C. Competitive Development Benefits

The O'Reilly School development should be a strong candidate for the receipt of linkage funds through the Housing Creation process. This development meets all trust review criteria enumerated in the NHT draft rules and regulations section (F2) as follows:

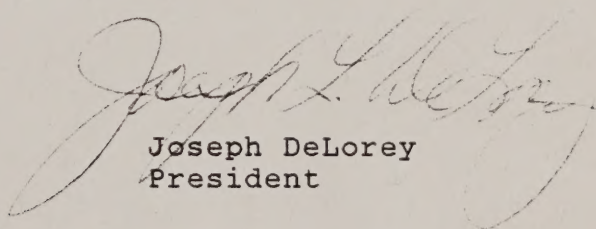
1. The project offers 32 affordable units to elderly (29) and handicapped (3) residents.
2. The amount of linkage funds requested per affordable unit to be developed is \$13,906.
3. The developer has completed affordable housing developments in Boston and other Massachusetts communities, as described above.
4. Construction can commence within 30 days, resulting in completion of these units in an extremely timely manner.
5. The terms of the HUD mortgage requires that the units remain affordable for forty years.
6. The majority of the units are expected to be occupied by households earning less than 50% of the area median income.
7. The South Boston community has the greatest need for elderly housing in the City of Boston.

8. The development will be built by a union contractor.
9. No ownership participation is offered to the Trust. The Owner is a nonprofit corporation and all project income is used to cover project costs.
10. Request is for a grant, as it is needed to make the nonprofit deal feasible.
11. South Boston has not received any distribution of linkage funds.

I hope this letter adequately outlines the benefits of the O'Reilly School development and the need for the Neighborhood Trust Funds.

If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph DeLorey".

Joseph DeLorey
President

JOHN BOYLE O'REILLY SCHOOL



COMMUNITY CONTEXT MAP

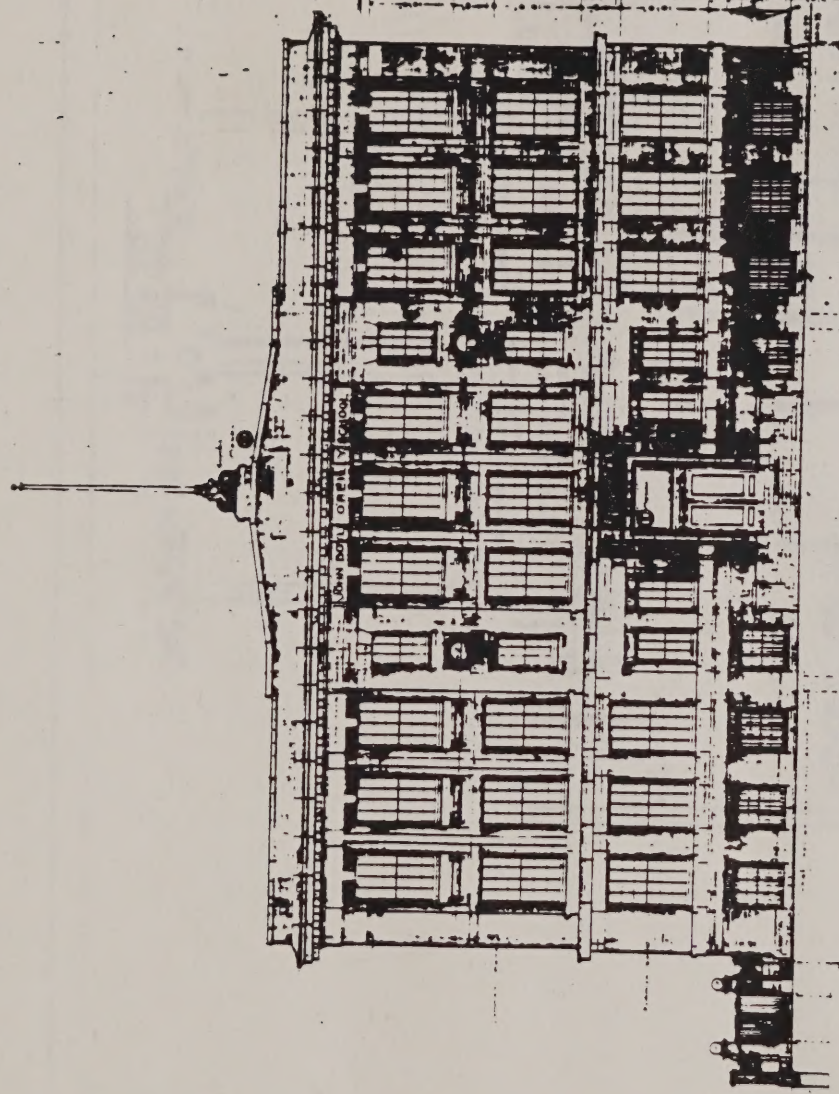


FORMER JOHN BOYLE O'REILLY SCHOOL
347 Dorchester Street
South Boston, MA

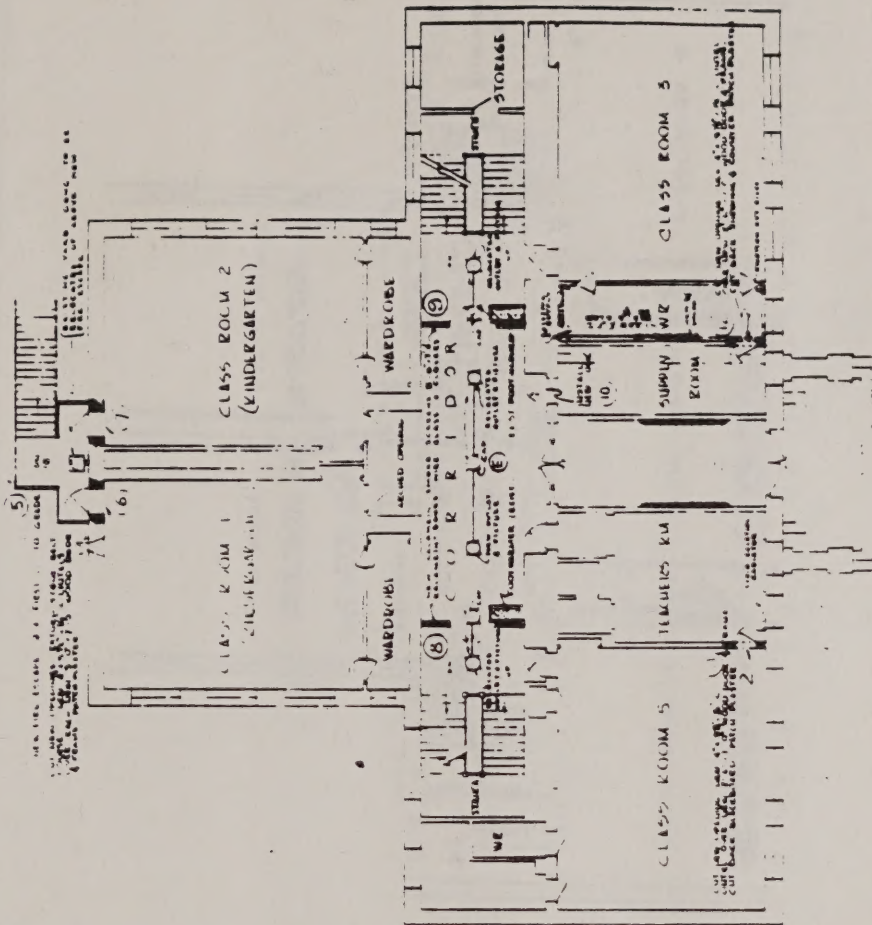
WD: 7
PARCEL No: 195
YEAR BUILT: 1905
AREA OF LOT: 28,720 Sq.Ft.
AREA OF BLDG (GROSS): 28,398 Sq.Ft.
ZONING: L-1 (local business): H-1-50
(Apartment house)

FRONTAGE: 120 ⁺ sq.ft. on Dorchester Street
225 ⁺ sq.ft. on Middle Street

CITY OF BOSTON
 JOHN BOYLE
 CITY PRIMARY SCHOOL
 BOSTON, MASS.
 AUGUST 1903



JOHN BOYLE CITY PRIMARY SCHOOL
 BOSTON, MASS.
 AUGUST 1903



B-3
GROUP

NOTES

WHENEVER THE LAYOUT OF A BUILDING IS TO BE CHANGED, THE ARCHITECT SHALL BE REQUIRED TO SUBMIT A PLAN TO THE BOARD OF EDUCATION FOR APPROVAL. THE BOARD OF EDUCATION SHALL HAVE THE RIGHT TO REJECT OR TO ACCEPT THE PLAN. THE BOARD OF EDUCATION SHALL ALSO HAVE THE RIGHT TO REQUIRE THE ARCHITECT TO MAKE SUCH CHANGES AS MAY BE NECESSARY TO BRING THE PLAN INTO ACCORDANCE WITH THE REQUIREMENTS OF THE BOARD OF EDUCATION. THE BOARD OF EDUCATION SHALL ALSO HAVE THE RIGHT TO REQUIRE THE ARCHITECT TO MAKE SUCH CHANGES AS MAY BE NECESSARY TO BRING THE PLAN INTO ACCORDANCE WITH THE REQUIREMENTS OF THE BOARD OF EDUCATION.

FIRST FLOOR

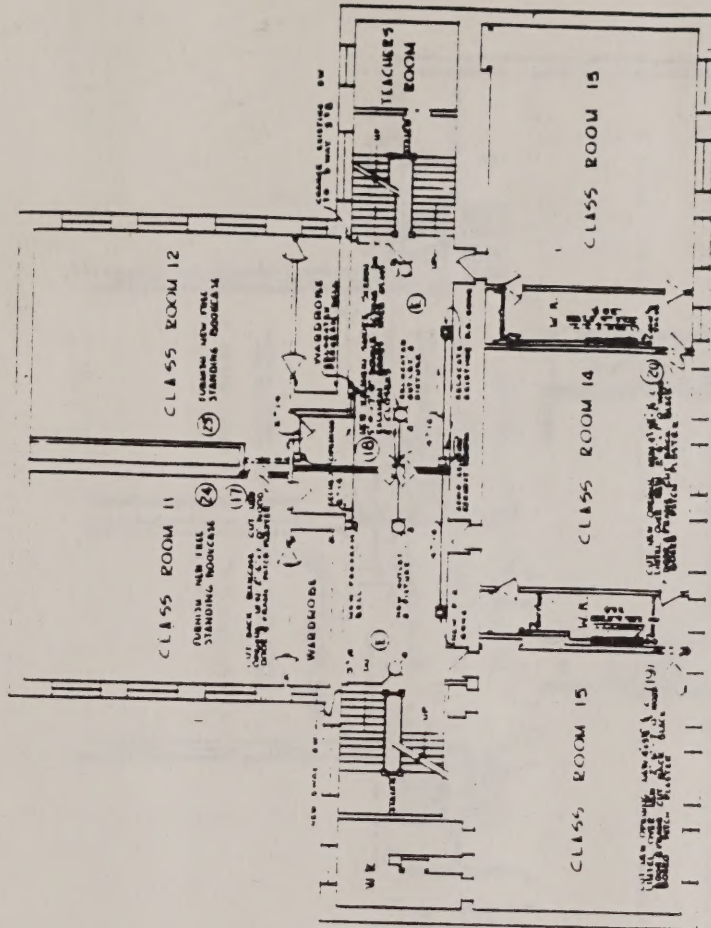
JOHN B. O'NEILL SCHOOL

347 DECATUR ST.

CHICAGO, ILL.



APPROVED BY
[Signature]
SUPERINTENDENT OF INSTRUCTION

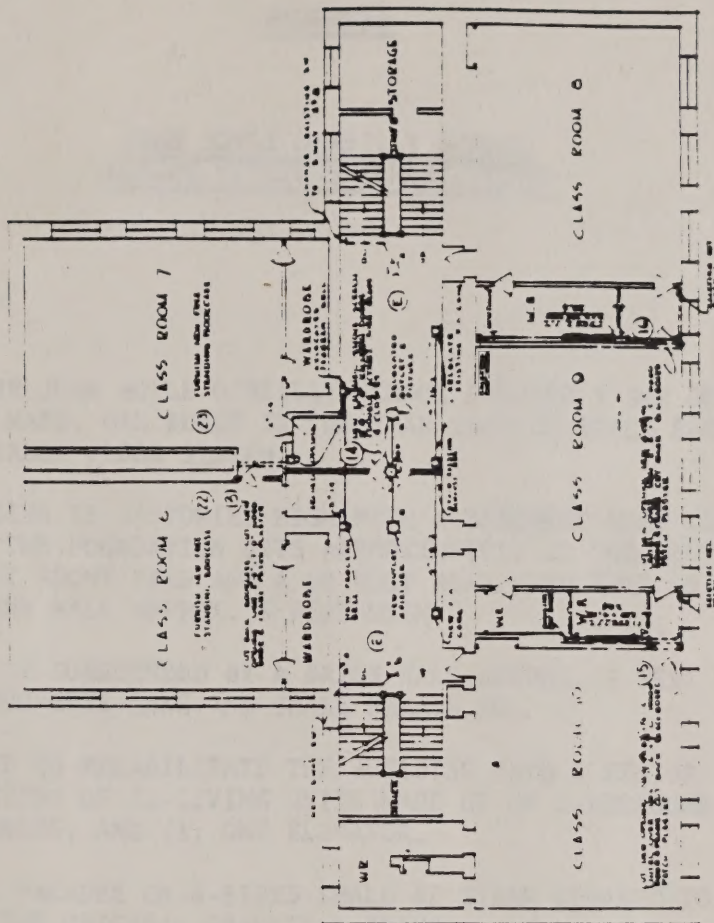


Ground Plan
 Construction
 at
 1/4" = 1'-0"



APPROVED BY
[Signature]
 DEPARTMENT OF EDUCATION

THIRD FLOOR
 JOHN A. O'NEILL
 1911



GROUP B-3

CONTRACTORS MUST VERIFY
ALL MEASUREMENTS ON
DRAWINGS AND AT BUILDING



APPROVED BY
John H. Gray
DEPARTMENT OF EDUCATION

SECOND FL. PLAN
ALTERATIONS TO
JOHN H. GRAY
SCHOOL
MAY 1935
JOHN H. GRAY COMPANY
ARCHITECTS
100 N. 1ST ST.
PHILADELPHIA, PA.

E.M. DOHENY associates
architects.. ..planners

PROPOSED

JOHN BOYLE O'REILLY SCHOOL
SENIOR CITIZENS REHABILITATION

THE FORMER JOHN BOYLE O'REILLY SCHOOL LOCATED @ 347 DORCHESTER STREET SOUTH BOSTON, MASS. WAS BUILT IN THE YEAR 1905 OF BRICK & GRANITE WITH A WOOD FRAMED GIRDER FLOOR SYSTEM.

THE BUILDING IS 3-STORIES HIGH WITH A BASEMENT THAT IS PARTIALLY ABOVE GRADE. THE FOUNDATION SETS APPROXIMATELY IN THE CENTER OF THE LOT WITH A 65' FOOT FRONT YARD AND A 60 FOOT REAR YARD THAT IS SPLIT IN HALF BY A 16' MASONRY WALL APPROX. 5 FEET HIGH.

THE SITE IS SURROUNDED BY A BRICK WALL APPROX. 5 FEET HIGH ON 3 SIDES OF THE PROPERTY LINE AND SHALL REMAIN SO.

WE PROPOSE TO REHABILITATE THE BUILDING INTO A SENIOR CITIZENS HOUSING CONSISTING OF 32-LIVING UNITS MADE UP OF 1-BEDROOMS, EFFICIENCIES AND HANDICAP UNITS, AND (1) ONE ELEVATOR.

THE BLDG. FACADES ON 4-SIDES SHALL BE STEAM CLEANED TO BRING BACK THE BEAUTY OF THE ORIGINAL GRANITE & BRICK.

ALL WINDOWS WILL BE REMOVED AND SINGLE HUNG ALUMINUM WINDOWS SET IN A GRANITE, STUCCO SURROUND, THAT WILL PRESENT A TRADITIONAL FENESTRATION SIMILAR TO THE LARGE EXISTING WINDOWS, THIS BLEND WILL ASSIST IN RESTORING THE ORIGINAL DESIGN.

THE INTERIOR OF THE BUILDING WILL HAVE SUSPENDED CEILINGS TO 8'-0" HIGH AND ALL WALLS SHALL BE PLASTERED.

WHERE EXPOSED BRICK OCCURS @ THE CORRIDORS, STAIR WELLS AND @ ANY INTERIOR UNITS THEY SHALL BE SAND BLASTED AND COATED WITH CLEAR SILICONE TO RETAIN THERE NATURAL APPEARANCE.

E.M. DOHENY **associates**

architects.. ..planners

THE EXISTING WROUGHT IRON STAIRS & RAILING SHALL BE SAND BLASTED TO THERE NATURAL CONDITION AND PAINTED, TREADS, RISERS & LANDINGS SHALL BE CARPETED.

IT IS OUR INTENTION TO REHABILITATE THE BUILDING WITHOUT DESTROYING OR COVERING IT'S ORIGINAL ARCHITECTURAL STYLE AND DESIGN.

A NEW HEATING AND ELECTRICAL SYSTEM WILL BE INSTALLED THRU-OUT THE BLDG.

THE EXTERIOR GROUNDS WILL BE LANDSCAPE WITH SOD-TREES, SHRUBS AND BENCHES AT SITTING AREAS.

PROVISION SHALL BE MADE TO PARK 10 AUTO SPACES, 2 OF WHICH SHALL BE FOR THE HANDICAP.

THE EXTERIOR BRICK WALLS ON THE SITE SHALL BE CLEANED, DRESSED AND POINTED AS SHOWN ON THE ACCOMPANYING ARCHITECTURAL DRAWINGS.

(PAGE 2)

NATIONAL UNION SENIOR CITIZENS HOUSING II CORP.

BOSTON, MASSACHUSETTS

023-EH-295

JOHN BOYLE O'REILLY SCHOOL

REQUEST FOR FIRM COMMITMENT

NOVEMBER 14, 1986

EXHIBIT 1

HUD FORM 92013 - APPLICATION FOR MULTIFAMILY HOUSING PROJECT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING-FEDERAL HOUSING COMMISSIONER
APPLICATION FOR MULTIFAMILY HOUSING PROJECT

SECTION A - PROJECT IDENTIFICATION

1. Name of Project John Boyle O'Reilly School	2. HUD Project Number (Mortgage Ins. or Sec. 202) MA06-T851-016 023-EH-295
	3. HUD Project Number (Section 8) MA06-T851-016

SECTION B - PURPOSE OF APPLICATION

TO: The Assistant Secretary for Housing-Federal Housing Commissioner: Application is being made pursuant to Item (a): ☐ 1, ☐ 2, ☐ 3 of Section M, Page 3 hereof. The undersigned desire(s) to participate, with respect to the Property and Program(s) described below. Therefore, it is requested that you give consideration to the information presented herein, for the purpose of loaning and/or approving:

☐ Mortgage Insurance: Section: ☐ a Feasibility Letter (Rehab.) ☐ a SAMA Letter (New Const.) ☐ a Conditional Commitment ☒ a Firm Commitment	☒ Direct Loan Section 202 ☐ Housing Asst. Pymnts. Sec. 8 ☐ a Preliminary Proposal ☐ a Final Proposal	Mortgagor: ☐ PM ☐ NP ☐ LD ☐ B-S Other _____ Financing: ☐ Conventional ☐ GNMA ☐ Bond ☐ State Agency Other Section 202 Mortgage/Loan Amount: \$ 2,126,418 Interest Rate: Permanent 9.25 % Construction 9.25 %
--	--	---

SECTION C - LOCATION AND DESCRIPTION OF PROPERTY

1. Street Address 347 Dorchester Street	2. Municipality Boston	3. County Suffolk	4. State and ZIP Code MA 02114	5. Congressional Dist.
6. Type of Project: ☐ Proposed ☒ Rehabilitation ☐ Existing Year Built: 19	7. Number of Units: 31 Revenue: _____ Non-Revenue: _____ TOTAL: 32	8. No. of Buildings 1	9. List Accessory Buildings Area 0 Sq. Ft.	10. List Recreation Facilities Outdoor Sitting Area _____ Sq. Ft.
11. Type of Buildings: ☒ Elevator ☐ Walkup ☐ Row (T.H.) ☐ Detached ☐ Semi-Detached	12. No. of Stories 4	13. No. of Elevators 1	14. Type of Foundation: ☐ Slab on Grade ☐ Crawl Space ☐ Partial Bsmt. ☒ Full Basement	
15. Structural System Masonry	16. Floor System Concrete	17. Exterior Finish Brick	18. Heating System Oil/Gas HW	19. Air Conditioning System

SECTION D - INFORMATION CONCERNING LAND OR PROPERTY

1. Date ☐ Acquired ☒ 5/14/85	2. Price ☒ Purchase ☐ Option \$ 50,000	3. Additional Cost Paid or Accrued \$ 0	4. Total Cost \$ 50,000	5. Outstanding Balance \$ 50,000	6. Relationship Between Seller and Buyer, Business, Personal or Other Designated Developer/P & S Executed
7. Site Area 24,984 Sq. Ft.	8. Zoning (If recently changed, submit evidence) L-1, H-1-150	9. If leasehold, show annual ground rent \$	lease term, remaining years _____		
10. Off-Site Facilities: Public Water ☒ Comm. ☐ Sewer ☒ Paving ☒ Gas ☒ Electrical ☒	At Site ☐ Feet from Site 25 ft. ☐ 25 ft. ☐ 25 ft. ☐ 25 ft.	11. Unusual Site Features ☐ None ☐ Poor Drainage ☐ Cuts ☒ Retaining Walls ☐ Fill ☐ Rock Foundations ☐ Erosion ☐ High Water Table ☒ Other Masonry Yard Walls	12. Special Assessments a. ☐ Prepayable ☐ Non-prepayable b. Principal Balance \$ _____ c. Annual Payment \$ _____ d. Remaining Terms _____ years.		

SECTION E - ESTIMATE OF INCOME

Unit Type	No. of Living Units	No. of Units Assisted	Living Area (Sq. Ft.)	Composition of Units	PBE Not in Rent (\$) * (Sec. F-1)	Unit Rent per Mo. (\$)	Total Monthly Unit Rent (\$)
0-BR	15	15	485+	L/D/BR Kitchen - 1 Bath	25	701	10,523
0-BR Handi	1	1	485+	L/D/BR Kitchen - 1 Bath	25	701	701
1-BR	14	14	610+	L/D Kitchen - 1 Bedroom - 1 Bath	26	850	11,952
1-BR Handi	2	2	610+	L/D Kitchen - 1 Bedroom - 1 Bath	26	850	1,740
Employee(s) Liv. Units(s)							
TOTALS				32	32	2. TOTAL ESTIMATED MONTHLY RENTALS FOR ALL LIVING UNITS \$ 24,916	

3. Number of Parking Spaces ☐ Attended ☒ Self Park Total Spaces 8	4. Parking and Other Income (Not Included in Rent) Open Spaces _____ @ \$ _____ per month = \$ _____ Covered Spaces _____ @ \$ _____ per month = \$ _____ Laundry _____ Sq. Ft. or Living Units @ _____ per month = \$ _____ Other _____ per month = \$ _____ TOTAL ANCILLARY INCOME \$ 0
--	---

5. Commercial Space (Describe) Area-Ground Level 0 sq. ft. @ \$ _____ per sq. ft./month = \$ _____ Other Levels 0 sq. ft. @ \$ _____ per sq. ft./month = \$ _____ TOTAL COMMERCIAL \$ 0

6. TOTAL ESTIMATED MONTHLY GROSS INCOME AT 100 PERCENT OCCUPANCY	\$ 24,916
7. TOTAL ANNUAL RENT (Item 6 times 12 months)	\$ 298,990

8. Gross Floor Area: 27,520 Sq. Ft.	9. Net Rentable Residential Area: 17,378 Sq. Ft.	10. Net Rentable Commercial Area: 0 Sq. Ft.
---	--	---

SECTION F - EQUIPMENT AND SERVICES (Check Items Included in the Rent, Listed Below)

Equipment: ☒ Range and Oven ☐ Microwave Oven ☒ Refrigerator ☒ Laundry Facilities ☐ In Common Area ☐ In Living Unit ☐ L.U. Hookup Only	☒ Carpet ☐ Drapes ☐ Swimming Pool ☐ Air Conditioning Equip. ☐ Trash Compactor ☐ Disposal ☐ Other	Services: ☒ Heat ☐ Hot Water ☐ Cooking ☐ Air Conditioning ☐ Lights, etc., in Units ☒ Cold Water ☐ Other	Gas ☒ Elect. ☐ Oil ☒ ☐ Parking	* PERSONAL BENEFIT EXPENSES (PBE): Check Utilities and Services Not Included in the Rent and Paid Directly by the Tenant. ☒ Electricity ☐ Heating ☐ Gas ☐ Decorating ☐ Repairs ☐ Water Other _____ Remarks _____
--	--	---	---	--

SECTION G - ESTIMATE OF REPLACEMENT COST		SECTION I - ESTIMATE OF ANNUAL EXPENSE	
LAND IMPROVEMENTS		ADMINISTRATIVE	
1. Unusual Land Improvements	\$	1. Advertising	\$
2. Other Land Improvements	\$ 103,500	2. Management Fee (4 %) \$ 11,241	
3. TOTAL LAND IMPROVEMENTS	\$ 103,500	3. Other	\$ 1,405
STRUCTURES		4. TOTAL ADMINISTRATIVE	\$ 12,646
4. Main Buildings	\$ 1,704,392	OPERATING	
5. Accessory Buildings	\$	5. Elevator Maintenance Exp.	\$ 1,645
6. Garage	\$	6. Fuel - Heating	\$ See gas
7. All Other Buildings	\$	7. Fuel - Domestic Hotwater	\$
8. TOTAL STRUCTURES	\$ 1,704,392	8. Lighting and Misc. Power	\$ 9,925
9. SUBTOTAL (Line 3 plus Line 8)	\$ 1,807,892	9. Water	\$ 1,800
10. General Requirements (Line 9 x 5.25 %)	\$ 91,893	10. Gas	\$ 13,656
11. SUBTOTAL (Line 9 plus Line 10)	\$ 1,899,785	11. Garbage and Trash Removal	\$ 1,500
FEES		12. Payroll	\$ 2,250
12. Builder's General Overhead (Line 11 x 2 %)	\$ 37,996	13. Other	\$
13. Builder's Profit (Line 11 x 7 %)	\$ 132,985	14. TOTAL OPERATING	\$ 30,776
14. SUBTOTAL (Sum of Lines 11 through 13)	\$ 2,070,766	MAINTENANCE	
15. Bond Premium	\$ 14,000	15. Decorating	\$ 1,500
16. Other Fees	\$ 22,000	16. Repairs	\$ 750
17. ESTIMATED TOTAL COST OF CONSTRUCTION	\$ 2,106,766	17. Exterminating	\$ 300
18. Architect's Fee - Design (Line 14 x %)	\$ 68,250	18. Insurance	\$ 3,000
19. Architect's Fee-Supervisory (Line 14 x %)	\$ 22,750	19. Ground Expense	\$ 800
20. TOTAL FOR ALL IMPROVEMENTS (Sum of Lines 17 through 19)	\$ 2,197,766	20. Other	\$
21. Cost per Gross Square Foot (Line 20 divided by Item 8, Section E)	\$ 80	21. TOTAL MAINTENANCE	\$ 6,350
22. Construction Time 11 Months Plus 2 = 13 Months		22. Replacement Res.: New Const. = (.008 x Line 6, Sec. G Total Struct.) Rehab = (.004 x Mort/Loan Requested in Sec M)	\$ 10,226
CHARGES AND FINANCING DURING CONSTRUCTION		23. SUBTOTAL EXPENSES (Sum of Lines 4, 14, 21 and 22)	\$ 59,998
23. Interest on \$ 2,126,418 @ 9.25 % for 13 Months	\$ 106,542	24. Real Estate: Est. Assessed Value = \$ 538 Unit at \$ 538 per \$1000 = \$ 17,220	
24. Taxes	\$	25. Personal Prop. Est. Assessed Value = \$ at \$ per \$1000 = \$	
25. Insurance	\$ 6,000	26. Employee Payroll Tax	\$ 384
26. HUD/FHA Mtg. Ins. Pre. (0.5%)	\$	27. Other	\$
27. HUD/FHA Exam. Fee (0.3%)	\$	28. Other	\$
28. HUD/FHA Insp. Fee (0.5%)	\$	29. TOTAL TAXES	\$ 17,604
29. Financing Fee (1 %) \$		30. TOTAL EXPENSES (Line 23 plus Line 29)	\$ 77,602
30. FNMA/GNMA Fee (1 %) \$		31. Avg. exp. per unit per annum (PUPA) (Line 30 divided by TOTAL Item 7 Sec. C)	\$ 2,425
31. AMPO (2.0%)	\$ 39,984	SECTION J - TOTAL SETTLEMENT REQUIREMENTS	
32. Contingency (Sec. 202) (3.0%)	\$	1. Development Costs (Line 45, Section G)	\$ 2,483,267
33. Title and Recording	\$ 8,397	2. Cash Req. for Land Debt/Acquisition	\$ 50,000
34. TOTAL CHARGES AND FINANCING	\$ 160,923	3. SUBTOTAL (Lines 1 plus 2)	\$ 2,533,267
LEGAL, ORGANIZATION AND AUDIT FEE		4. Mortgage Amount \$ 2,126,418	
35. Legal	\$ 6,896	5. Development/Cash (Lines 3 minus 4) +1-	\$ 406,849
36. Organization	\$ 1,375	6. Initial Operating Deficit	\$
37. Cost Certification Audit Fee	\$ 2,500	7. Discount Costs	\$
38. TOTAL LEGAL, ORG. AND AUDIT FEE	\$ 10,771	8. Interest Yield Costs	\$
39. Builder's and Sponsor's Profit and Risk	\$	9. Working Capital (2% of Mortgage Amount)	\$
40. Consultant Fee (Nonprofit Only)	\$ 24,992	10. Min. Capital Investment (Sec. 202)	\$
41. Supplemental Management Fund	\$ 3,200	11. Off-Site Construction Costs	\$
42. Contingency Reserve (Rehabilitation Only)	\$ 85,615	12. Non-Mortgageable Relocation Expenses	\$
43. Relocation Expenses	\$	13. Other	\$
44. Other	\$	14. TOTAL ESTIMATED CASH REQUIRED (Sum of Lines 5 through 13)	\$ 406,849
45. TOTAL ESTIMATED DEVELOPMENT COST (Lines 20 + 34 + 38 through 44)	\$ 2,483,267	FUNDS AVAILABLE FOR CASH REQUIREMENTS	
46. Land (Estimated Market Price of Site) N/A sq. ft. @ \$ per sq. ft.	\$ 50,000	15. Source of Cash:	
47. TOTAL ESTIMATED REPLACEMENT COST OF PROJECT (Line 43 plus Line 44)	\$ 2,533,267	a. City of Boston	\$
48. Average Cost per Living Unit \$ 79,165 (Line 45 divided by Total in Sec. C, Item 7)		b. Sponsor, Others	\$ 406,849
SECTION H - ANNUAL INCOME COMPUTATIONS		c.	\$
1. Estimated Project Gross Income (Line 7, Section E, Page 1)	\$	SUBTOTAL (a + b + c)	
2. Occupancy (Entire Project)	%	16. Source of Fees and Grants:	
3. Effective Gross Income (Line 1 x Line 2)	\$	a.	\$
4. Total Project Expenses (Line 30, Section I)	\$	b.	\$
5. Net Income to Project (Line 3 minus Line 4)	\$	c.	\$
6. Expense Ratio (Line 4 divided by Line 3)	%	SUBTOTAL (a + b + c)	\$
		17. TOTAL Cash, Fees and Grants (Sum of Items 15 plus 16)	\$ 406,849
		NOTE: Line 17 must equal or exceed Line 14	

HUD REVISED AMOUNT

TDC \$2,501,672
Land --- *
Subtotal 2,501,672
Mortgage 2,261,700
Cash Need 239,972

Total
Cash Need 239,972

Source of Cash:

Linkage 240,000

Total Cash 240,000

* No land cost is due during the term of the 40-year HUD mortgage. Upon expiration of 40 years, \$100,000 will be payable to the City of Boston.

The Borrower certifies that the Form HUD-92013 and exhibits in this Application Request are true and correct:

NATIONAL UNION SENIOR CITIZENS HOUSING II, INC.
(Legal Name of Borrower)

By: [Signature]
(Authorized Officer of the Borrower)

Joseph L. DeLorey, President.
(Title)

Date: November 14, 1986

Note: Section 1001 of Title 18 of the United States Code (Criminal Code and Criminal Procedure, 72 Stat.967) shall apply to such statements. (18 U.S.C. 1001, among other things, provides that whoever knowingly and willfully makes or uses a document or writing containing any false, fictitious, fraudulent statement or entry, in any matter within the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.)

Development Budget Summary
John Boyle O'Reilly School
347 Dorchester Avenue
South Boston, Massachusetts

I Use of Funds:

Land Cost	\$	0 *
Total Hard Cost	\$	2,106,766
Total Soft Cost	\$	394,906
Total Development Cost	\$	2,501,672

II Source of Funds:

HUD/Section 202	\$	2,261,700
Equity	\$	240,000
Total	\$	2,583,267

* No land cost is due during the term of the 40-year HUD mortgage. Upon expiration of 40 years, \$100,000 will be payable to the City of Boston.



BANK OF NEW ENGLAND

June 11, 1987

Edward M. Doherty, Esq.
50 Franklin Street
Suite 3A
Boston, MA 02110

Re: National Association of Government Employees
John Boyle O'Reilly School

Dear Ed:

Pursuant to our conversation, this letter is intended as formal notice of the willingness of the Bank of New England, N.A. to provide financing to the National Association of Government Employees ("NAGE") in the amount of two hundred forty thousand (\$240,000.00) dollars (subject to terms and conditions yet to be negotiated), for use in the development of the John Boyle O'Reilly School in South Boston, MA.

If you have any questions, please do not hesitate to call.

Sincerely,
BANK OF NEW ENGLAND

Richard M. Primrose
Assistant Banking Officer

RMP:MKC

RAYMOND L. FLYNN, MAYOR



PUBLIC FACILITIES DEPARTMENT

THE UNDERSIGNED HEREBY CERTIFIES THAT SHE is the Secretary of the Public Facilities Commission, and that at a meeting of the said Commission, duly called and held on Thursday, May 14, 1987, whereat Joseph F. Fisher, Chairman and Raymond C. Dooley, Commissioner, being a majority of the said Commission were present, it was voted "That the vote of this Commission at its meeting September 12, 1985, which provided as follows:

'That having duly advertised its intent to sell to the National Union Senior Citizens Housing II, Inc., with offices at 285 Dorchester Avenue, Boston, Massachusetts 02127, the land with building thereon, located at 347 Dorchester Street, former John Boyle O'Reilly School, in the Dorchester district of the City of Boston, for two consecutive weeks (August 19 and August 26, 1985) in accordance with the provisions of Chapter 642 of the Acts of 1966, the Public Facilities Commission, pursuant to its vote of July 25, 1985 and subsequent approval by the Mayor, does hereby vote to sell the aforementioned property to National Union Senior Citizens Housing II, Inc.; and

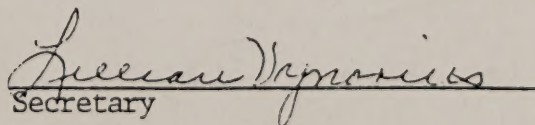
FURTHER VOTED: That the Director be, and he hereby is, authorized to execute and deliver an instrument conveying said property to the National Union Senior Citizens Housing II, Inc., in consideration of the sum of Fifty Thousand Dollars (\$50,000.00) including an administrative fee of Three Thousand Five Hundred Dollars (\$3,500.00).";

be, and the same hereby is, amended as follows:

By deleting the words, wherever they may appear: "... Dorchester district of the City of Boston" and inserting in their place, the words: ... South Boston District of the City of Boston; and

By inserting the words: "...non-profit corporation" after the words 'National Union Senior Citizens Housing II, Inc.'; and

By deleting the words and figures: "... Fifty Thousand Dollars (\$50,000.00) including an administrative fee of Three Thousand Five Hundred Dollars (\$3,500.00)" and inserting in their place, the words and figures: ... One Hundred Thousand Dollars (\$100,000.00) including an administrative fee of Seven Thousand Dollars (\$7,000.00)."


Secretary



City of Boston
Public Facilities Department

26 Court St./6th Floor
Boston, Massachusetts 02108

James F. Hart
Director

Paul Roche
General Counsel

THE UNDERSIGNED HEREBY CERTIFIES THAT SHE is the Secretary of the Public Facilities Commission, and that at a meeting of the said Commission, duly called and held on Thursday, March 28, 1985, whereat Chairman Joseph Fisher, Commissioner Raymond Dooley and Commissioner Joseph Delgado, being all the members of the said Commission, were present, it was voted

"That the vote of this Commission dated August 30, 1984, which provided as follows:

"That O'Reilly Apartments, Inc., with offices at 25 Union Street, Boston, MA 02108, be tentatively designated as developer of the land with the building thereon, located at 347 Dorchester Street (the former O'Reilly School) in the South Boston district of the City of Boston; subject to such terms, conditions, and restrictions as the Director and his staff deem appropriate for the proper redevelopment of this parcel.";

be, and the same hereby is, rescinded in its entirety.

Lillian Vignone
Secretary

RAYMOND L. FLYNN, MAYOR



PUBLIC FACILITIES DEPARTMENT

April 28, 1987

Mr. Paul May
National Association of Government Employees
285 Dorchester Avenue
Boston, MA 02127

Dear Mr. May:

The Public Facilities Department fully supports the development of the John Boyle O'Reilly School into 32 units of elderly and handicapped housing through the HUD 202 Program.

To further assist this project I will seek approval from the Public Facilities Commission to defer the cost of acquisition until year 2027. This will reduce the cash commitment through the forty year term of the HUD mortgage by \$50,000. As compensation to the City for the forty year deferral, the acquisition price will be increased to \$100,000.

We trust that this level of commitment on the part of the City to the development of this project will move you closer to the start of construction.

Sincerely,

Lisa G. Chapnick
Director

LGC/KC/ac
1156D



Boston City Council

James M. Kelly
District 2
725-3203

June 11, 1987

Mr. George Russell
Managing Trustee
neighborhood Housing Trust
Room M-5
Boston City Hall
Boston, MA. 02201

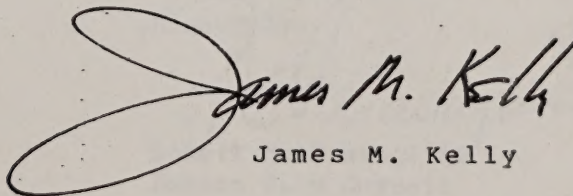
Dear Mr. Russell;

Please record my name in support of the application of the National Union for Senior Citizens' Housing Corporation, for linkage funds needed for the renovation of the John B. O'Reilly school in South Boston.

The need for additional senior housing in South Boston, as it is in communities across the city, is critical. A project of this nature would be of enormous benefit in lessening the plight of many local residents.

Accordingly, your consideration of the proposal offered by the National Union Senior Citizens' Housing Corporation would be appreciated.

Sincerely,



James M. Kelly



Boston City Council

Robert E. Travaglini
District 1
725-3200

June 10, 1987

Mr. George Russell
Managing Trustee
Neighborhood Housing Trust
Room M-5
Boston City Hall
Boston, MA 02201

Dear Mr. Russell:

I would like to register my unqualified support for the petition of the National Union Senior Citizens Housing Corporation, II, for linkage funds needed to renovate the John Boyle O'Reilly School in South Boston.

We are both aware of the great need for affordable elderly housing throughout the city, and we are both aware of the excellent track record of the National Union in housing development. I know that I have been particularly impressed with their work on Building 106 in the Charlestown Navy Yard, which is within my City Council district. The National Union has demonstrated a caring and needs sensitive approach to development which has clearly benefitted my community. It would be a great shame if the South Boston Community was unable to take advantage of working with such a commendable group because of a lack of necessary funds.

Mr. Russell, I urge you and your fellow members of the Neighborhood Housing Trust to grant the petition of the National Union Senior Citizens Housing Corporation, II.

Sincerely,

Robert E. Travaglini
Boston City Council

RET/cc





MASSACHUSETTS / AFL-CIO

Voice of Organized Labor 400,000 Strong

June 10, 1987

PRESIDENT

ARTHUR R. OSBORN

EXECUTIVE VICE PRESIDENTS

JOSEPH M. LYDON

THOMAS G. EVERS

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RICHARD F. PICCUTO

RICHARD E. POST

JOHN F. SIMMONS

CHARLES E. THOMPSON

BARNEY WALSH

George Russell, Managing Trustee
Neighborhood Housing Trust
Boston City Hall
Room M-5
Boston, MA 02201

Dear Mr. Russell:

I am contacting you in support of the petition of the National Union Senior Citizens Housing Corp., II for linkage funds. The funds are needed for the renovation of the John Boyle O'Reilly School in South Boston to provide affordable elderly housing in our city.

As President of the Massachusetts AFL/CIO, I have seen firsthand the problems faced by our retirees and older citizens in obtaining housing, especially in the City of Boston. South Boston is an area hard hit by the problem and the Senior Citizens Housing Corp. project would address this pressing need.

It is my understanding that the linkage funds petitioned for are essential to insure financial commitments of the federal government to this project. On behalf of our retired and elderly workers, I urge your support of the Senior Citizens Housing Corp., III petition.

Sincerely,

Arthur R. Osborn
President

opeiu-6
afl/cio

MASSACHUSETTS / AFL-CIO
8 Beacon Street, Boston, MA 02108
Telephone: (617) 227-8260

National Council
Elder-Spouse Legislators

April 23, 1987

Mr. Joseph L. DeLorey
President
National Union Senior Citizen
285 Dorchester Avenue
Boston, MA 02127

Re: John Bolye O'Reilly
School (32) Elderly Units

Dear Mr. DeLorey:

Kindly be advised that the organization strongly endorse the development of the above captioned property into (32) elderly units.

The need is not only great for elderly affordable housing but it will also help maintain the residential integrity of this neighborhood.

We urge the City Officials as well as HUD to act on this project as soon as possible.

Sincerely,

National Council Silver-Haired Legislatures

(MASSACHUSETTS CHAPTER)



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National Union Senior Citizen
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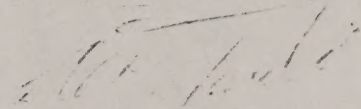
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Sincerely,



Representative Peter Tardo
Silver Hair
South Boston ,Ma.